# AMENDMENTS

Please amend claims 7, 8, and 16-20 as indicated below. Accordingly, the current status of the claims is as follows:

1 - 2.      (Withdrawn)

3.      (Cancelled)

4 - 6.      (Withdrawn)

7.      **(Currently Amended)**  A method for accounting for a plurality of transactions for a plurality of accounts using a plurality of accounting rules, each of the plurality of accounts having a cost basis associated therewith, the method comprising:

receiving a transaction from at least one source, the received transaction having an event type, a transaction classification and an asset classification associated therewith;

determining at least one accounting rule to apply to the received transaction based upon at least one of the cost basis, event type, transaction classification and asset classification of the received transaction; ~~and~~

deriving accounting information for the received transaction using the accounting rule or rules determined to apply to the received transaction; and

at least one of debiting and crediting a plurality of ledger balances using a posting matrix containing 0, 1, and -1 values.

8. **(Currently Amended)** A method for accounting for a plurality of transactions from a plurality of accounts using a plurality of accounting rules entered by a user, the method comprising:

receiving a plurality of accounting rules from the user;

receiving a transaction from at least one source, the transaction being associated with an account of the plurality of accounts;

determining at least one accounting rule to apply to the received transaction based upon certain criteria;

deriving accounting information for the received transaction using the accounting rule or rules determined to apply to the transaction; and

posting the derived accounting information to at least one ledger balance for the account wherein the posting is performed utilizing a posting matrix.

9. (Previously Amended) The method of claim 8, wherein each account of the plurality of accounts has a cost basis associated therewith, and the criteria for determining at least one accounting rule to apply to the received transaction comprises the cost basis of the account of the received transaction.

10. (Withdrawn)

11. (Cancelled)

12 – 15. (Withdrawn)

16.     (**Currently Amended**)  The method of claim 7, further comprising ~~storing the derived accounting information in a database~~ <u>maintaining accounts up to date as each transaction is received rather than deferring the posting of the transaction until a batch process is run at the end of the day</u>.

17.     (**Currently Amended**)  The method of claim ~~16, wherein the derived accounting information is stored as postings to a plurality of ledger balances~~ <u>7 wherein the value of 0 represents a null posting effect and the values of 1 and -1 represent a debit action and a credit action</u>.

18.     (**Currently Amended**)  The method of claim 8, ~~wherein the derived accounting information is posted to at least one ledger balance of the account in accordance with double entry bookkeeping~~ <u>further comprising maintaining accounts up to date as each transaction is received rather than deferring the posting of the transaction until a batch process is run at the end of the day</u>.

19.     (**Currently Amended**)  The method of claim ~~18~~ <u>8</u>, wherein the ~~posting the derived accounting information to at least one ledger balance for the account is performed utilizing a~~ posting matrix <u>contains 0, 1, and -1 values and wherein the value of 0 represents a null posting effect and the values of 1 and -1 represent a debit action and a credit action</u>.

20.     (**Currently Amended**)  The method of claim ~~19~~ <u>8</u>, wherein the posting matrix is maintained using a graphical user interface.

21.        (Previously Added)   The method of claim 8, wherein the received transaction is one of a plurality of transaction types, and the criteria for determining at least one accounting rule to apply to the received transaction comprises the type of the received transaction.

22.        (Previously Added)   The method of claim 8, wherein the received transaction is associated with one of a plurality of asset types, and the criteria for determining at least one accounting rule to apply to the received transaction comprises the type of asset of the received transaction.

23 -28.        (Withdrawn)

# ABSTRACT

Please amend the abstract as follows:

A rules-based accounting system and method for accounting for transactions, comprises a transaction engine for receiving transaction events, an accounting engine for determining a set of rules to apply to the transaction event, deriving accounting information for the transaction based on the set of rules, and posting the derived accounting information to the account. The transaction events are processed as they are received and reconstruction is performed where the transactions are not received in proper order. The set of rules to be applied to the transaction event are determined by a cost basis, transaction classification, asset classification and event type. Rules may be added, changed or removed by the user as needed.